

September 16, 2003

The Honorable Loren E. McMaster  
Presiding Judge, Department 53  
Sacramento Superior Court  
800 Ninth Street  
Sacramento, CA 95814

**RE: Letter Brief In the Matter of *Johnson v. Bustamante*, Case No. 03AS04931**

This informal letter brief is submitted to the court in response to the court's invitation to the Fair Political Practices Commission ("Commission") to present its views on the important questions raised by this lawsuit. As the court is aware, the Commission has ongoing responsibilities in connection with the October 7, 2003, statewide special election. Therefore, the primary purpose of this letter is to summarize for the court what the Commission views are pertinent legal issues concerning questions 1 – 4 discussed below, that the Commission itself must consider in further construing Proposition 34 and its application to statewide candidates.<sup>1</sup>

The Commission is cognizant of the urgency brought about by the immediacy of the pending election, even if the election is postponed until March. The Commission requests the court to issue a ruling as soon after the hearing as possible to provide guidance both to the parties in the litigation and to the Commission.

It is important to note that the Commission's comments must be somewhat circumspect in this matter due to the fact that the Commission is currently undertaking an investigation of the conduct in this case to determine whether future Commission enforcement action is warranted and, if so, what form that action will take.<sup>2</sup> Therefore, the discussion in this letter will not comment on the accuracy of the facts presented to the court, but will merely provide some guidance to the court based on assumptions that certain conduct may have taken place.

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<sup>1</sup> Commission-produced documents referenced in citations throughout this letter may be found on the Commission's website, [www.fppc.ca.gov](http://www.fppc.ca.gov).

<sup>2</sup> The Commission recognizes that Government Code section 91003 authorizes a private action for injunctive relief independent of any action the Commission takes from an enforcement perspective.

## **I. THE COMMISSION’S GENERAL INTEREST IN THE CASE**

As the court is aware, Proposition 34<sup>3</sup> was approved by the voters in November 2000 to amend the Political Reform Act (“Act”)<sup>4</sup> to, among other things, establish contribution and expenditure limits for candidates in state elections.

The Commission has “primary responsibility for the impartial, effective administration and implementation” of the Act. (§ 83111.) The Commission also is authorized to interpret the Act by adopting, amending and rescinding rules and regulations to carry out the purposes of the Act. (§ 83112.) Because of the Commission’s expertise, its view of a statute or regulation it enforces is entitled to great weight. (*Californians for Political Reform Foundation v. Fair Political Practices Commission* (1998) 61 Cal.App.4<sup>th</sup> 472, 484 (holding that the Commission’s expertise requires that its view of a statute or regulation it enforces “is entitled to great weight unless clearly erroneous or unauthorized”).)

The Commission takes seriously its obligation to vigorously enforce the Act. It also endeavors to establish guidelines, when necessary, for persons regulated by the Act, under applicable principles of statutory construction and pursuant to the California and United States Constitutions. Since the passage of Proposition 34, the Commission has committed significant resources to interpret key provisions of Proposition 34. The Commission’s deliberations concerning Proposition 34 began immediately upon its passage.

## **II. ANALYSIS OF QUESTIONS PRESENTED**

### **Overview of Applicable Statutes Pertaining to Questions 1 and 2.**

Before specifically addressing the four questions that the court has invited the Commission to address, an overview of several relevant statutes is discussed below. We are mindful that the questions raised by this litigation are complex and fact-specific, and therefore, it is not possible within a short time frame to analyze every scenario that these questions trigger. On this cautionary note, we proceed with discussion of relevant statutes, which we believe will be helpful to the court.

The questions have been restated (and Questions 1 and 2 have been reversed) to fit under the general analytical framework employed by the Commission and the Commission staff in analyzing similar questions.

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<sup>3</sup> Proposition 34 was placed on the November 2000 ballot through passage of SB 1223 (Burton), Chapter 102, Statutes of 2000.

<sup>4</sup> All references are to the Government Code unless otherwise noted. References to regulations are to 2 Cal. Code Regs., sections 18109 – 18997.

1. **Under section 85301(c), may a statewide candidate accept contributions in amounts that exceed \$21,200 per person into a committee established for the statewide general election of November 5, 2002?**
2. **Under section 85316, may a statewide candidate accept contributions in amounts exceeding “net debts outstanding” from the statewide general election of November 5, 2002, where the candidate’s committee was established by the candidate for an election held on November 5, 2002?**

### **Summary of Conclusion**

There is no prohibition on raising contributions in excess of outstanding net debts under section 85316 or in excess of \$21,200 per person into a committee established for an election held before November 6, 2002, *if* there is no violation of any other provision of the Act. In evaluating whether any other provision has been violated, however, it would be important to determine whether the funds were solicited into a pre-34 committee with the intent of using them for the 2003 election. Should a careful examination of the facts demonstrate that this is the case in this circumstance, raising funds for one election into a committee established for a different election is not consistent with section 85201, which requires that campaign funds are raised into the account established for that election. Such conduct would constitute a violation of the Act at the time the contributions are made and an evasion of the contribution limits for the 2003 gubernatorial race.

### **Background Discussion**

With respect to the applicable contribution limits in a statewide race, there are four key statutes in Proposition 34 which must be read together to reach a definitive conclusion as to whether the contribution limits are being evaded. These include sections 85301, 85306, 85317, and Section 83 (uncodified) of Proposition 34.

Section 85301(c), as noted by the court, is the applicable provision establishing contribution limits for the office of the Governor. Under this scheme, contributions in excess of \$21,200 per person may not be made to or accepted by a candidate for the office of the Governor. Proposition 34 contained two different effective dates – for legislative races the effective date was January 1, 2001, and for statewide candidates (including gubernatorial candidates) the effective date was November 6, 2002, the day *after* the 2002 general election. (§ 83, uncodified.) Therefore, this is the first gubernatorial race for which the limits in Proposition 34 are effective.

Sections 85306 and 85317 include certain “grandfather” provisions, which permit funds on hand to be subsequently used without limitation. Section 85306 permits transfers without attribution (section 85306 and regulation 18530.2) for funds held on or before the effective date of Proposition 34. After the effective date, to be considered accepted with the contribution limits, certain attribution rules must be followed. (Regulation 18536.) Section 85317 permits funds to be “carried over” without limitation

if a candidate is seeking reelection. (Section 85317 and regulation 18537.1.) This latter provision does not appear relevant to this particular lawsuit.

Because post-election fundraising is prohibited by section 85316, it was one of the first statutes considered by the Commission in interpreting Proposition 34. Section 85316 provides:

“A contribution for an election may be accepted by a candidate for elective state office after the date of the election only to the extent that the contribution does not exceed net debts outstanding from the election, and the contribution does not otherwise exceed the applicable contribution limit for that election.”

Initial threshold questions addressed by the Commission included the following:

- Does the phrase “election” in section 85316 apply to elections held prior to January 1, 2001, and November 6, 2002, or to any fundraising activity occurring on or after January 1, 2001, for legislative races and November 6, 2002, for statewide races?
- To the extent state candidates can no longer fundraise after an election is held, what is the “amount” of contributions per person a candidate can accept; the amounts set forth in section 85301 (initially \$20,000 for statewide candidates) or the cumulative amount of debt? In other words, if there was debt after an election of \$100,000, could a candidate accept contributions from separate sources in an amount equal to or under \$100,000?
- Does the fundraising prohibition of section 85316 also apply to “termed out” candidates?

Following public interested persons’ meetings, the Commission decided in June of 2001 during prenotice discussion of then proposed regulation 18531.6 that committees established prior to January 1, 2001, for elections held prior to that date were not subject to post-election fundraising limits of section 85316. After much deliberation, the Commission determined that the statute could not be retroactively applied to elections held prior to the effective date of Proposition 34, which was January 1, 2001. The Commission also based its determination regarding section 85316 in large part on the plain meaning of the statute, which prohibits post-election fundraising based on the applicable contribution limit for “that election,” not based on fundraising activity occurring on or after a specific date.

The Commission also read section 83, an uncoded provision of Proposition 34 delaying the effect of Proposition 34 for statewide candidates to November 6, 2002, to

apply on a “per election” basis.<sup>5</sup> At its July 2001 meeting, during a second prenotice discussion of the regulation, the Commission directed the staff to construe section 83 in a manner consistent and parallel in construction with its decision that section 85316 does not apply to elections held pre-January 1, 2001. (Staff memoranda of June 26, 2001, and August 27, 2001.) In September 2001, the third Commission meeting entertaining public comment pertaining to section 85316 and the proposed regulation, the Commission adopted regulation 18531.6. The same issues came up in consideration of the transfer statute, section 85306, and an implementing regulation, regulation 18536.

Since its inception, it was evident that some of the provisions of Proposition 34 lacked clarity. SB 34<sup>6</sup> (Burton) was introduced to clarify some areas of the law. SB 34 made several changes to Proposition 34 and was amended seven times prior to enactment. The “per election” scheme contemplated in June 2001 by the Commission was reflected in at least one bill analysis. For example, the Senate Committee on Rules analysis of the bill (as amended February 26, 2001) states that the bill would, “Clarify that candidates with net debts related to an election held prior to the effective date of Proposition 34

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<sup>5</sup> Section 83 provides the proposition’s provisions became operative on January 1, 2001. For candidates for statewide elective office, it initially provided that all of Chapter 5, which embodies the contribution and expenditure limits, would go into effect beginning on and after November 6, 2002. SB 34 (Ch. 241, Stats. 2001) amended section 83 to provide that certain sections of Chapter 5 would be operative. Section 83 was amended as follows, “This act shall become operative on January 1, 2001. However, Article 3 (commencing with Section 85300), except subdivisions (a) and (c) of Section 85309, Section 85319, Article 4 (commencing with Section 85400), and Article 6 (commencing with Section 85600), of Chapter 5 of Title 9 of the Government Code shall apply to candidates for statewide elective office beginning on and after November 6, 2002.”

<sup>6</sup> Senate Bill 34 also added section 85321 (February 26, 2001 amendment) and its final version read, “Notwithstanding any other provision of this chapter if a candidate for elective state office or the candidate’s controlled committee had net debts resulting from an election held prior to January 1, 2001, contributions to that candidate or committee for that election are not subject to the limits of Sections 85301 and 85302.”

As the bill moved through the legislative process, the Commission considered the proposed amendments to these statutes as consistent with the Commission’s interpretation regarding the effective date of Proposition 34 and supported the bill. (Senate Rules Committee Floor Analysis of June 30, 2001.) The Commission Chairman’s August 29, 2001, letter to the Governor in support of the bill explains that the bill would result in, “Clarification as to the sections of Proposition 34 that currently apply to all candidates and those that are delayed in their application to statewide candidates until after the next statewide general election. This is not a substantive change, but will greatly ease the regulatory burden placed on the Commission by the vague wording of Section 83 of Proposition 34.”

Specifically, at the September 2001 Commission meeting, the Commission reiterated that section 85321 codified one part of the section, and did not change the way section 85316 should be read. The Commission rejected a motion by one Commissioner to construe this section as modifying the Commission’s interpretation of section 85316. Therefore, section 85321 has not been interpreted by the Commission to repeal the more specific provision, section 83. Also, the legislative history regarding SB 34 does not reveal that it was intended to do so. Specifically, the legislative history does not show that SB 34 amended Proposition 34 to make any provision of Proposition 34 effective between January 1, 2001, and November 5, 2002, for statewide candidates. In other words, section 85321 has not been interpreted to mean notwithstanding section 83, sections 85301 and 85316 would apply to a committee of a statewide candidate in the November 5, 2002, election.

(January 1, 2001) can raise contributions not subject to the limits to pay off debts associated with those elections. Proposition 34 was not in effect for any election held prior to January 1, 2001, and it was not intended to apply retroactively.”

On the second point, the Commission determined that the applicable limit per person was the limit referenced in section 85301, not that each person could contribute an amount up to the debt of a committee on the date of the election.

On the third point, the Commission considered the view that fundraising was permitted for “termed out” candidates, but decided the plain language of the statute and section 82007, the definition of “candidate,” which provides that a candidate’s status as a candidate does not end until he or she terminates his or her filing obligations, did not permit that interpretation. However, the Commission has supported legislative efforts to amend the statutes to permit termed out officeholders to raise funds for officeholder expenses.<sup>7</sup>

Throughout its deliberation, the Commission generally considered as controlling, the law applicable to the expenditure of campaign funds. The Commission specifically discussed the issues of whether a termed out candidate could raise funds for officeholder expenses and whether fundraising into a pre-34 committee could be limited to fundraising for paying off net debt only. The expenditure of campaign funds is subject to the provisions of sections 89510-89518, which provide generally that the use of funds must bear either a reasonable or direct relationship to political, governmental, or legislative purposes. As a result, the Commission determined that it could not limit the use of the funds for officeholder expenses or paying off net debt. Although the Commission has not addressed every possible scenario implicating how campaign funds may be used, the Commission has encouraged candidates to use the funds for payment of debt or officeholder expenses.

To ameliorate against the effect of transitional Proposition 34 provisions on future elections, the Commission decided to amend Commission regulation 18404.1 to require the termination of committees once a candidate leaves office. (§ 84214.) This would ensure that unlimited contributions would eventually be impermissible for all candidate controlled committees. At the July 2001 meeting, the Commission also decided to include regulatory language (in regulation 18531.6) which provided that candidates could not establish new committees for an old election; i.e., new committees could not be “formed” on or after January 1, 2001, to fundraise outside the Proposition 34 contribution limits by establishing a committee for an old election.

An important caveat affecting the use of campaign funds is that contributions must be deposited and expenditures made from an account established for an election to a specific office. (§ 85201; Regs. 18524 and 18525.) Section 89510 provides that “[a]

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<sup>7</sup> This officeholder provision was initially part of SB 34, but it was removed from the bill. A committee analysis indicates that legislative counsel opined that such language was not necessary. The Commission does not consider legislative counsel’s analysis as controlling the Commission’s interpretation.

candidate for elective state office may only accept contributions within the limits provided in Chapter 5 (commencing with Section 85100).”

The Commission’s interpretations have been articulated in Commission Fact Sheets, No. 34-01, Volume 1 (page 8) and 34-01, Volume 3 (Questions 1-4, page 3). The Commission reviewed and approved these fact sheets and the public was provided an opportunity to comment regarding the question and answer portions of those fact sheets. This interpretation has also been the subject of several advice letters issued under section 83114.<sup>8</sup>

### **Conclusion**

Pursuant to the analytical framework discussed above, the Commission’s current view is that section 85301(c) may be interpreted to mean that a candidate for the office of Governor may raise contributions in excess of outstanding net debts under section 85316 or in excess of \$21,200 per person into a committee established for an election held before November 6, 2002, *provided, however*, there is no evasion of other provisions of the Act, such as section 85201. Among these provisions include the contribution limits of section 85301, subdivision (c), in effect for elections held on or after November 6, 2002. Accordingly, a violation of the Act occurs when a candidate raises funds for one election into a committee established for a different election and thus evades contribution limits.

### **Transfer Issue**

#### **3. What are the limitations on a statewide candidate on transfers to a committee established by the statewide candidate for a statewide special election held in 2003, or transferring to any other committee, in amounts in excess of outstanding net debt or \$21,200 per source?**

As explained below, a transfer to a new committee may trigger a violation of the Act if the initial contribution was made and accepted to evade legally valid contribution limits. Throughout its deliberations, the Commission has reiterated that transfers to any committee are subject to all Proposition 34 transfer and attribution rules, unless a grandfather provision applies (section 85306 and regulations 18530.2 and 18536). (Also see Commission Fact Sheet 34-01, Volume 3, Question 1.) However, whether a transfer is permissible or not depends on specific facts and is subject to the following considerations.

First, there are constitutional issues that should be considered. In the *SEIU* case, a lawsuit challenging the contribution limits of Proposition 73, the Ninth Circuit federal court upheld a United States District Court decision invalidating the intra-candidate transfer ban of Proposition 73, and the inter-candidate transfer ban, insofar as it was

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<sup>8</sup> Formal written advice from the Commission confers immunity in an administrative proceeding and is evidence of good faith in a civil or criminal proceeding. (§ 83114.) The candidate in this case has neither requested nor received written advice.

premised upon the need to prevent evasion of campaign contribution limitation, which was unconstitutional (based on fiscal years). Enforcement of such provisions was permanently restrained. (*Service Employees International Union, AFL-CIO, CLC; et al. v. Fair Political Practices Commission* (E.D. Cal. 1989) 721 F. Supp. 1172, affirmed by the Ninth Circuit, *Service Employees International Union v. Fair Political Practices Commission* (1992) 955 F.2d 1312 (9<sup>th</sup> Cir.), cert. denied 505 U.S. 1230. The court held Proposition 73's intra-candidate ban was unconstitutional because it was not narrowly tailored to serve a compelling state interest, stating that "[a]ll provisions prohibiting candidates from transferring contributions among or between the candidate's own committees violate the provisions of the First Amendment...." (*Id.*, Findings of Fact and Conclusions of Law.) While ultimately striking down the Proposition 73's intra-candidate transfer ban, the federal district court and Ninth Circuit suggested that such a ban might survive constitutional challenge if it were in the context of a valid contribution limit scheme. Therefore, the Commission continued to apply intra-candidate limitations for special elections which were not based on a fiscal year scheme.

Presuming valid and unchallenged Proposition 34 contribution limits, under the scenario of Question 3, transfers from a 2002 statewide committee to a candidate committee established for a 2003 race for the office of the Governor must follow the attribution rules of section 85306 and regulation 18536, as to money raised on or after November 6, 2002, into the old committee because the new committee is a committee subject to Proposition 34 contribution limits. Depending on the facts, a transfer to a new committee may trigger a violation of the Act (section 85301(c)) if the initial contribution was made and accepted to evade the limits. This is because the initial contribution should have been made to the new committee. (§ 85201.) Also, money on hand as of November 6, 2002 is not subject to attribution or the \$21,200 limit. (§ 85306 and Reg. 18530.2.)

### **Section 85310**

- 4. May a statewide committee established for an election held before, on, or after November 6, 2002 transfer to and may a candidate control a ballot measure committee, or any other committee, accept payments for the purpose of making and disseminating communications (including television advertisement) in the October 7, 2003 special election that clearly identify the statewide candidate?**

#### **Summary of Conclusion:**

This court also invites the Commission to comment on the applicability of section 85310, subdivision (c), to a ballot measure committee controlled by a statewide officeholder running in the October election. This question presents issues of first impression, which the Commission has not yet had an opportunity to address in this context. The Commission did not specifically interpret section 85310 when Proposition 34 was first adopted and has not yet considered it fully. Accordingly, the only guidance the Commission can offer to the court is a presentation of a series of issues the court may want to consider in evaluating section 85310.



As described above in the background discussion regarding Questions 1 and 2, on questions as complex and important as this the Commission's deliberations include public comment through interested persons' meetings and regulatory discussion. While the importance of this interpretation is of ultimate concern to the Commission, the Commission also believes that questions raised by this question warrant considerable further study. The reasons for this are briefly summarized below.

**Issues to Consider in Applying § 85310:**

***1. Previous Commission Advice Has Neither Analyzed Nor Applied § 85310 in This Context.***

In the first quarter of this year, the Commission adopted a fact sheet discussing the applicability of the recall election statute, 85315, in the context of the recall election. In July, the Commission adopted regulation 18531.5, which concluded that committees formed primarily to oppose or support the recall election were *not* subject to contribution limits. (Reg. 18531.5, subd. (b)(3).) The Commission followed up this regulation by revising its Recall Fact Sheet the following month. In August, the Commission, on the basis of long-established Commission policy and the case of *Citizens Against Rent Control v. Berkeley*, (1981) 454 U.S. 290, advised that replacement candidates could control ballot measure committees formed primarily to support or oppose the recall election and that such committees were not subject to the contribution limits of the Act. (Recall Fact Sheet, revised 07/03, Questions 9, 11.)

In adopting the regulation and fact sheet, the Commission received significant input and opinion from the regulated community, which reflected a broad spectrum of interests. None of the input received by the Commission posed application of section 85310 in the context in which it is sought to be applied in this litigation. In its fact sheet, a draft of which was made public prior to its adoption, the following language addresses the provisions of section 85310, and states:

**“22. How do the issue advocacy disclosure provisions (section 85310) apply to a state recall?”**

Section 85310 requires disclosure of communications identifying a state candidate made within 45 days of an election. This provision is designed to provide disclosure of large payments (over \$50,000) for communications used for issue advocacy campaigning. Payments for such election-related communications identifying a state candidate might otherwise go undisclosed because they do not expressly advocate the election or defeat of a state candidate, and are therefore not required to be reported as independent expenditures. The disclosure requirements of section 85310 do apply in a state recall election to certain payments for communications identifying state candidates that are not otherwise disclosed. (If a payment for a communication identifying a state candidate is otherwise reported as an independent expenditure, the payment need not be reported under section 85310.)”

The paragraph above makes no reference to the application of the limiting provision of section 85301, subdivision (c), to recall ballot measure committees controlled by candidates. In fact, among those who testified at the hearing on the adoption of the fact sheet who argued candidates should not be allowed to control ballot measure committees, none made the argument that, in the alternative, section 85310 applied to limit such expenditures in the circumstances here. Thus, the Commission historically has advised candidates and the public that ballot measure committees regarding the recall could be controlled by candidates and were not subject to the contribution limits in the Act.

## ***2. Does Citizens Against Rent Control v. Berkeley Apply?***

Generally speaking there are no contribution limits on ballot measure committees. (*Citizens, supra.*) The Commission's interpretations of the Act have not transformed a ballot measure committee into a committee subject to limits merely because it is controlled by a candidate. The proposition advanced in the complaint requires a determination whether *Citizens* applies to a candidate controlling a ballot measure, such as Proposition 54, where he or she is also a candidate on the ballot. This specific issue, framed in this manner, has not been addressed by the Commission or a court.

The interaction of communications involving a candidate and a ballot measure has been the subject of litigation, but its impact here is unclear. In *Wax v. Fair Political Practices Commission* (E.D. Cal. 1992) CIV. S-90-1232, a registered voter, Lenore Wax, claimed two Commission emergency regulations impermissibly impaired her ability to learn of endorsements by her elected officials when deciding how to vote on particular candidates and ballot measures. Second, then Assemblyman Terry Friedman asserted the regulations impacted his ability to endorse ballot measures and from publicizing the endorsement of other candidates on his own reelection.

The Commission was permanently enjoined from: a) treating an expenditure by a ballot measure committee as a "contribution" to an individual running for office when the expenditure is made to publicize that individual's endorsement of or opposition to the ballot measure which that committee supports or opposes, unless the endorsement message being publicized includes express advocacy of the election or nomination of the endorsing individual; and b) treating an expenditure by a candidate's controlled election committee as a "contribution" to an individual running for office when the expenditure is made to publicize that individual's endorsement of, or opposition to the opponent of, the candidate whose controlled election committee is making the expenditure, unless the message being publicized includes express advocacy of the election or nomination of the endorsing individuals.

However, when a candidate is running for office, what limitations may be placed on that candidate is unclear. Judge Karlton's order also states in paragraph 2, "[t]his litigation does not involve and the parties make no stipulation with reference to an expenditure made by a candidate's controlled ballot measure committee to publicize that candidate's endorsement of or opposition to the ballot measure that his or her controlled ballot measure committee support or opposes."

### ***3. When Is a Candidate “Clearly Identified” in a Communication?***

Section 85310 applies to clearly identified candidates. For example, a candidate speaking without referencing himself or herself may or may not be an appearance clearly identifying the candidate. (Regulation 18225(b)(1) defines what is meant by “clearly identified.”) While the Commission has recently considered what is meant by “express advocacy,” the line drawn between a communication that “clearly identifies” a candidate or one that “expressly advocates” in the context of section 85310 is fact-specific.

### ***4. Can a Candidate be Said to “Behest” His or Her Own Payments?***

A threshold question arises as to whether section 85310 applies only to third party payments or also to candidates making expenditures directly from their committees. The complaint asserts that because Mr. Bustamante controls the ballot measure committee, any communications that feature him would necessarily be made at the “candidate’s behest.” (§ 85310, subd. (c).) The question posed by this interpretation is whether a candidate can be said to “behest” his or her own payments. The answer to this question depends on an analysis of the intent and purposes underlying section 85310 and regulation 18225.7, defining “at the behest.” Once the intent and scope of the statute and regulation are deciphered, one must then apply the appropriate scrutiny under the First Amendment if the statute limits a candidate’s free speech or right of association. (*Citizens, supra*, 454 U.S. at pp. 298-299.)

### ***5. Does Required Advertising Disclosure Rise to the Level of “Clearly Identifying” a Candidate?***

Finally, candidates controlling ballot measure committees that publish advertisements supporting or opposing a ballot measure are compelled to disclose the name of a candidate in the advertisement. (§§ 84501-84511; reg’s. 18402, 18450.1, 19450.3, 18450.4 and 18540.5.) The interaction between this required disclosure and whether such disclosure would amount to “clearly identifying a candidate” under subdivision (a) of section 85310 must also be considered.

The Commission simply has not had an opportunity to evaluate and opine on the complex legal issues with regard to section 85310. Consequently, the Commission is unable to provide guidance beyond what will be presented to the court by the parties.

### **III. CONCLUSION**

The issues raised in this litigation are clearly important to the California electorate and to the Commission. They represent the first opportunity to address significant issues arising in the context of the Proposition 34 contribution limits. While we are not able to address all of the legal intricacies raised by this lawsuit and the questions posed by the court, we hope this is of assistance to the court in grappling with the provisions of Proposition 34 on an expedited basis in this unprecedented and unforeseen election.

Sincerely,

LUISA MENCHACA  
General Counsel

FAIR POLITICAL PRACTICES COMMISSION